
NEWS From:

Congressman Mike Honda

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**FOR IMMEDIATE RELEASE**

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Honda Seeks Economic Relief for General Aviation Small Businesses

Washington, DC—Today U.S. Congressman Mike Honda (D-San Jose) joined with Rep. Bill Shuster (R-PA) in announcing the introduction of the “*General Aviation Business Relief Act of 2001*,” a bill that would provide much needed economic relief to small aviation businesses that incurred losses due to the security measures put into place since September 11th that have kept many small commercial planes on the ground and many Americans out of work.

“I am encouraged that Congress has acted swiftly to protect and stabilize the commercial aviation industry after the tragic events of September 11, 2001,” said Honda. **“Now we must protect the workers and small general aviation businesses that pump gas, fix planes, fly banners, teach pilots how to fly, and dust crops, who have been injured as a direct result of the terrorist attacks.”**

General Aviation is comprised of private business owners, large and small, that rely on our national airspace for their livelihood. General aviation businesses operate at more the 5,300 public airports. More than 92 percent of the roughly 225,000 civil aircraft registered in the United States are general aviation aircraft. More than 500,000 of the nation’s 635,000 pilots fly general aviation aircraft.

As a result of the terrorist attacks, this segment of the aviation industry has been grounded significantly longer and was saddled with greater flight restrictions than the larger air carriers. This in turn has crippled these businesses, many of which do not have access to the guaranteed funding or loans accessible to larger businesses. Unfortunately, the losses incurred by general aviation businesses do not appear to qualify under any established federal disaster relief law or program.

The legislation does three simple things:

- The Small Business Administration (SBA) is directed to provide grants to companies equal to the losses incurred as a result of FAA or DOT orders.
- One year no-interest loans can be made by the SBA to qualified companies that have suffered or are likely to suffer as a result of the terrorist acts, after which normal interest and payment rates are in effect.
- The Secretary of Treasury is allowed to extend for 2 or 4 months the due date for certain excise taxes paid by qualifying companies.

The total cost of the legislation should be well under \$500 million.

The bill is supported by the National Business Aviation Association, the General Aviation Manufacturers Association, the Aircraft Owners and Pilots Association and host of other small business and aviation groups.